

# Braintree Retirement Board

Approved September 27, 2002

In order to maintain its fiduciary duties in an efficient, effective and informed manner, the Braintree Contributory Retirement System ("System") recognizes the importance of continuing education; the need for informed decision making by Retirement Board Members; and the need for a broader public pension perspective, gained through association with other Retirement Boards and administrators, both within the Commonwealth of Massachusetts and throughout the nation. In the interests of the protection and preservation of the assets of the Board, and in furtherance of the provisions of 840 CMR 1.00 et seq., the Braintree Retirement Board ("Board") hereby adopts the following education and travel policy, to be effective as of June 01, 2002.

Board Members, and employees of the System shall at all times, (a) be aware of and sensitive to potential and perceived conflict of interest, (b) conduct themselves in the best interests of the members and beneficiaries of the System, and, (c) strive to defray the reasonable expenses of administering the System.

Board Members and employees should strive to identify in advance those educational opportunities which would be of substantial benefit to the members and beneficiaries of the System. These regulations require that all travel-related expenses that are to be paid for by the Board shall be related to the purpose of the authorized travel and shall be cost-effective.

## Authorization for Travel and Travel Related Expenditures

The Board shall pay for or make reimbursement to Board Members and the staff of the Retirement Board for all travel and lodging expenses related to legitimate speaking engagements, conferences, and seminars regarding System operations.

1. All travel and related expenses are to be approved by the board in advance of the travel.
2. Requests for travel by Board Members shall be placed on a board meeting agenda, discussed in open session and approved by a majority vote of the members of the board present and voting. The meeting minutes shall reflect the board's action and the extent of the authorization.
3. The nature of the travel, its purpose and estimated cost shall be outlined on a Travel Authorization Form. The form must include a statement by the traveler certifying that the expenses were incidental to the approved travel. Brochures for seminars or other presentations should accompany the request for travel where available.
4. A statement describing the presentation, conference or seminar should be entered into the minutes of the meeting following the travel.

## Required Documentation for Reimbursement

The traveler must certify that the expenses incurred were necessary and incidental to the approved travel on the Reimbursement Request Form. The traveler shall submit requests for reimbursement within a reasonable time after the expenses are incurred but no later than 30 days.

1. Any requests for reimbursement should be completed and properly approved after incurring any travel, transportation, meal or other travel related expenses and before reimbursement takes place.
2. Original itemized receipts must be submitted for all expenses including transportation, lodging, and other expenses incidental to travel.
3. Receipts should be required for individual expenses over \$10; travel-related expenses that are under \$10 (such as gratuities) should be fully described and reimbursed based on the traveler's certification that the expenses were necessary and incidental to the approved travel.
4. Any travel-related expenditures which have not been properly documented or approved, or not in conformity with the board's regulations shall be rejected or adjusted.
5. Reimbursement shall only be made to the person who actually made payment for the expense.
6. The Reimbursement Request Form must be signed by the person seeking reimbursement and signed under the pains and penalties of perjury.

## Travel Arrangements

The Board designates the Director, and/or Administrative Assistant, to be responsible for making all reimbursable travel arrangements and for assisting board members and board staff in completing authorization and reimbursement forms. When making travel arrangements, government rates or business rates will be secured.

Where advance notice of and approval of a Board Member or employee's attendance at a conference is impracticable, timely notice shall be provided to the Director, or Administrative Assistant.

An extended stay may be authorized if the net cost to the board will be lower. For example, if airline fare is lowered by staying an extra day and the cost of accommodations and meals for that extra day result in a net saving to the board, an extended stay can be authorized.

## Transportation

All travel should be at the lowest fare available, generally economy/coach fare. The Board will allow for airline, train, bus, automobile rental, taxi or other form of public conveyance (as cost effective) to be utilized. For reasons of efficiency and time savings, the Board may approve bus routes with no more than one interim stop each way, and may not require more than one scheduled airplane transfer each way, thus allowing for reasonable departure and arrival times.

1. The Board strictly prohibits payment for airline club memberships.
2. The staff member responsible for arranging travel should negotiate automobile rental rate, and procure the most reasonable and responsive rental agency. Economy size rental shall be reimbursed, unless two or more members will share the same vehicle, therefore allowing for upgrade to midsize. It is the traveler's responsibility to verify that the rate charged was the rate negotiated.
3. Optional insurance coverage for rental cars must be accepted. The Board requires that any motor vehicle accidents, which occur while using a rental car while on board-approved travel, be reported as soon as practical, in writing, to the appropriate authorities with copies of all such reports provided to the board.
4. The Board prohibits reimbursement for fines or other expenses incurred as a result of traffic violations while on board-approved travel. The traveler is personally responsible for such expenses.
5. When such usage is cost effective, the Board shall allow for reimbursements for use of personal motor vehicles. Automobile mileage for the use of a Board Member or Employee shall be documented for all business-related travel and shall be reimbursed at current approved IRS rates.
6. Parking fees and toll charges shall be reimbursed with proper receipts.

## Lodging

1. All reservations for accommodations shall be made in advance by the Director, or Administrative Assistant when possible, and payment shall be made via warrant process. Otherwise, board members or employees shall retain all receipts for reimbursement. It is the traveler's responsibility to verify that the rate charged is the rate negotiated by the staff member.

## Meals

1. The daily reimbursable amount for the cost of meals of an individual while on Board authorized travel, shall be set at a cost not to exceed \$75.00, unless otherwise provided for in a meal plan set by the conference/seminar host. Reimbursements shall not be made without receipts. There shall be no reimbursement for alcoholic beverages.
2. The Board requires that if reimbursement is sought for meal expenses for others, these individuals are to be identified along with their affiliation and a description of the purpose of the meeting. Reimbursement shall be made only for meetings that are for business purposes.
3. The Board prohibits reimbursements for lodging and meals included in the cost of registration. If a meal plan is separate, and the member chooses not to partake in the plan, then member will be reimbursed for meals provided that the costs do not exceed the plan cost. If the lodging plan is separate, and the member chooses not to partake in the plan, the member will be reimbursed for lodging within the area of the conference provided that the costs do not exceed the plan cost.

## **Other Reimbursable Expenses**

1. While attending approved business related travel, Members and employees shall be reimbursed for all telephone calls, Internet connection charges, faxing, or copying charges, of a business nature, and shall be reimbursed for one personal call a day. Proper receipts shall be submitted before reimbursement shall be made.
2. Lodging gratuities shall be reimbursed up to five dollars per day without a receipt.

## **Non-Reimbursable Expenses**

1. The reimbursement for alcoholic beverages shall not be permitted.
2. In room movies, mini-bar charges, gym fees, entertainment or recreational expenses, laundry and dry cleaning and any payments for personal services are not reimbursable expenses.

## **Cash Advances**

The Board prohibits cash advances in connection with anticipated expenses.

## **Personal Travel Combined with Board Related Travel**

If personal travel is combined with board-related travel, the personal portion of the trip will be clearly identified and paid for by the traveler. Travel expenses or any other expenses incurred by a spouse, relative, friend or other individual accompanying a board member or board staff member will be considered to be personal travel and will, in no event, be a proper expense of the Retirement Board.

## **Payments or Reimbursements for Expenses by Third Parties**

1. Board Members and employees shall not accept anything of substantial value from any person, firm, partnership or other entity which may be reasonably expected to seek to do business with or is seeking to do business with, or presently is doing business with a Retirement Board or any person, firm or other entity that solicits or makes referrals, or which may be reasonably expected to solicit or make referrals of any client on behalf of such a person, firm, partnership or other entity.
2. The Board prohibits the providing to and the receipt of anything of substantial value from such a person, firm, partnership or other entity indirectly through any person, firm, association, organization or other entity. Where practical, expenses for travel, lodging, and related expenses for Board Members and employees while attending a vendor sponsored conference shall be processed in accordance with the above sections.
3. In instances where a Board Member or Board staff member participates in a legitimate speaking engagement, the board shall pay all costs and expenses related to such speaking engagement, provided that the board member or board staff member complies with all related expenses of a board member or a member of the board's staff from the third party, only under the following limited circumstances:

- A Board Member or a member of a Board's staff may participate in legitimate speaking engagements in connection with their positions on the Retirement Board or as a member of the Board's staff and the Board may accept reimbursements from third parties necessary to cover travel-related costs for such engagements.
- Acceptance of an honorarium or any other form of compensation is strictly prohibited.
- To be considered a legitimate speaking engagement, the presentation must be formally scheduled on the agenda of a convention or conference.
- The speaking engagement must be scheduled in advance of the Board Member's or staff member's arrival at the event.
- The presentation must be before an organization that would normally have outside speakers address them at such an event.
- The presentation cannot be perfunctory, but should significantly contribute to the event, taking into account such factors as the length of the speech or presentation, the size of the audience, and the extent to which the speaker is providing substantive or unique information or viewpoints.
- The Retirement Board can be reimbursed by a third party for expenses only to the extent necessary for making the speech or presentation.
- Under no circumstances can a Board Member or board staff member receive reimbursement or any other payment or compensation from a third party.

## Violation of Board Travel Regulations

Any person or entity that violates these guidelines or Retirement Board Regulations adopted pursuant to these guidelines and approved by the Commission shall be deemed to have violated the provisions of 840 CMR 17.00 and shall be subject to removal as a qualified investment manager or consultant pursuant to 840 CMR 17.04(10). In addition, the Commission shall not grant an exemption pursuant to 840 CMR 19.02 or a qualification pursuant to 840 CMR 26.04 if any person or entity that has violated these guidelines or Retirement Board Regulations adopted pursuant to these guidelines is the subject of the filing pursuant to those provisions.